

CASE 2853: Application of HUMBLE
for approval of expansion of CHA
CHA-GALLUP PRESSURE MAINTENANCE.

Dispute -
To be
by Approval



PMX-4

Case No.

2853

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

APPLICATION OF HUMBLE OIL & REFINING
COMPANY FOR AN ORDER APPROVING THE
EXPANSION OF ITS CHA CHA-GALLUP PRES-
SURE MAINTENANCE PROJECT, SAN JUAN
COUNTY, NEW MEXICO BY CONVERTING TWO
ADDITIONAL PRODUCING WELLS IN THE
NORTHWEST CHA CHA UNIT TO WATER IN-
JECTION SERVICE

2853
CASE NO. 2447

ORDER NO. _____

TO: THE HONORABLE OIL CONSERVATION COMMISSION,
STATE OF NEW MEXICO AND THE SECRETARY-
DIRECTOR THEREOF:

NOW COMES Applicant herein, Humble Oil & Refining Company, a Dela-
ware corporation authorized to do business in the State of New Mexico, as Unit
Operator of the Northwest Cha Cha-Gallup Unit, authorized and designated in
that certain Unit Operating Agreement executed by and between the owners of
the Navajo leases included in said Unit and hereby makes application to the New
Mexico Oil Conservation Commission and the Secretary-Director thereof for an
order authorizing the expansion of the Cha Cha-Gallup Pressure Maintenance
Project and the conversion of two additional wells in the Northwest Cha Cha-Gallup
Unit to water injection service, all pursuant to Rule 701 of the General Rules
and Regulations promulgated by this Commission and also pursuant to Rule 11 of
the Special Rules and Regulations relating to the Cha Cha-Gallup Pressure Main-
tenance Project as promulgated in Order No. R-2154 entered in this case. In
support hereof, Applicant respectfully shows:

I.

On January 3, 1962, this Commission entered its Order No. R-2154
in this case, which said order authorized Applicant to institute a pressure
maintenance project in the Cha Cha-Gallup Pool, San Juan County, New Mexico,
by injecting water into the Gallup formation in certain wells described in
paragraph 1 of said order in accord with the Special Rules and Regulations
governing the operation of said project, all as set forth in Rules 1 through
11, inclusive, promulgated in said order.

RECEIVED
OCT 15 1962
OFFICE OF THE
SECRETARY-DIRECTOR
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

II.

Rule 11 of said order provides that conversion of additional producing wells to water injection service and the expansion of the project area shall be accomplished only after approval thereof by the Secretary-Director of the Commission, such permission to be obtained according to the procedure prescribed in said Rule 11.

III.

Applicant hereby requests authority to convert to water injection service and to operate as water injection wells those certain wells now producing from the Gallup formation as follows:

<u>Well</u>	<u>Location</u>
Northwest Cha Cha Unit Well #32-25	NE $\frac{1}{4}$ -Sec.25-29N-14W
Northwest Cha Cha Unit Well #32-36	NE $\frac{1}{4}$ -Sec.36-29N-14W

IV.

In support of this application and as required by said rules, Applicant attaches hereto as Exhibit "A" a plat showing (1) the location of the Northwest Cha Cha Unit Wells numbered 32-25 and 32-36, (2) all offset operators and (3) the location of all wells which offset said wells and the Cha Cha-Gallup Pressure Maintenance Project area.

V.

Further in support of this application and as required by said rules, Applicant attaches hereto as Exhibits "B" and "C" schematic drawings of Northwest Cha Cha Unit Wells numbered 32-25 and 32-36, which said drawings describe fully the casing, tubing, perforated intervals and depth of said wells and further showing that the injection of water will be confined to the Gallup formation in said wells.

VI.

Further in support of this application and in accord with said requirements, Applicant attaches hereto as Exhibit "D" proof of service of a complete copy of this application on all operators of oil and gas leasehold estates offsetting the project area and said wells and the date of such service.

VII.

Further in support of this application and as required by said rules, Applicant attaches hereto as Exhibits "E" and "F" induction-electric surveys run in Northwest Cha Cha Unit Wells numbered 32-25 and 32-36.

VIII.

Further in support of this application and as required by said rules, Applicant attaches hereto as Exhibit "G" a table indicating with respect to Northwest Cha Cha Unit Wells numbered 32-25 and 32-36 the zones into which water will be injected into said wells, the kind of fluid to be injected into said wells, the anticipated daily amounts that will be injected into said wells and the source of the water to be injected into said wells. Applicant will obtain water for injection into said wells from the San Juan River alluvium by means of wells which have heretofore been drilled adjacent to the bed of said river in Sections 15 and 16, Township 29 North, Range 14 West. Said water source wells have been tested and are capable of producing water in quantities sufficient to continue to supply water for injection into injection wells heretofore authorized in the Cha Cha-Gallup Pressure Maintenance Project and also in additional quantities sufficient to provide water for injection into the two additional injection wells as proposed herein.

IX.

Further in support of this application and as required by said rules, Applicant attaches hereto as Exhibit "H" Form C-116 issued by this Commission entitled "Gas-Oil Ratio Report," setting forth information with regard to all Northwest Cha Cha Unit wells which have responded to the Cha Cha-Gallup Pressure Maintenance Project heretofore authorized in Order No. R-2154 in this case.

X.

Applicant believes and states that it will be in the interest of conservation and the prevention of waste to convert Northwest Cha Cha Unit Wells numbered 32-25 and 32-36 to water injection service and to operate said wells as water injection wells by injecting water into said wells at rates for which authority is sought herein. Conversion of said wells is necessary

to obtain the greatest ultimate recovery of oil and gas from the Gallup formation in the said project area. Applicant, therefore, respectfully requests that authority be granted it to convert and operate the said wells as water injection wells in accord with all of the provisions contained in the Special Rules and Regulations governing the Cha Cha-Gallup Pressure Maintenance Project as said Rules and Regulations are set forth in Order No. R-2154 in this case.

WHEREAS, Applicant requests that an order be entered granting it authority to convert Northwest Cha Cha Unit Wells numbered 32-25 and 32-36 to water injection service and to operate said wells as water injection wells as part of the Cha Cha-Gallup Pressure Maintenance Project heretofore authorized by this Commission in its Order No. 2154 in this case according to all of the terms and provisions set forth in the Special Rules and Regulations governing the operation of said project as contained in said order.

Respectfully submitted,

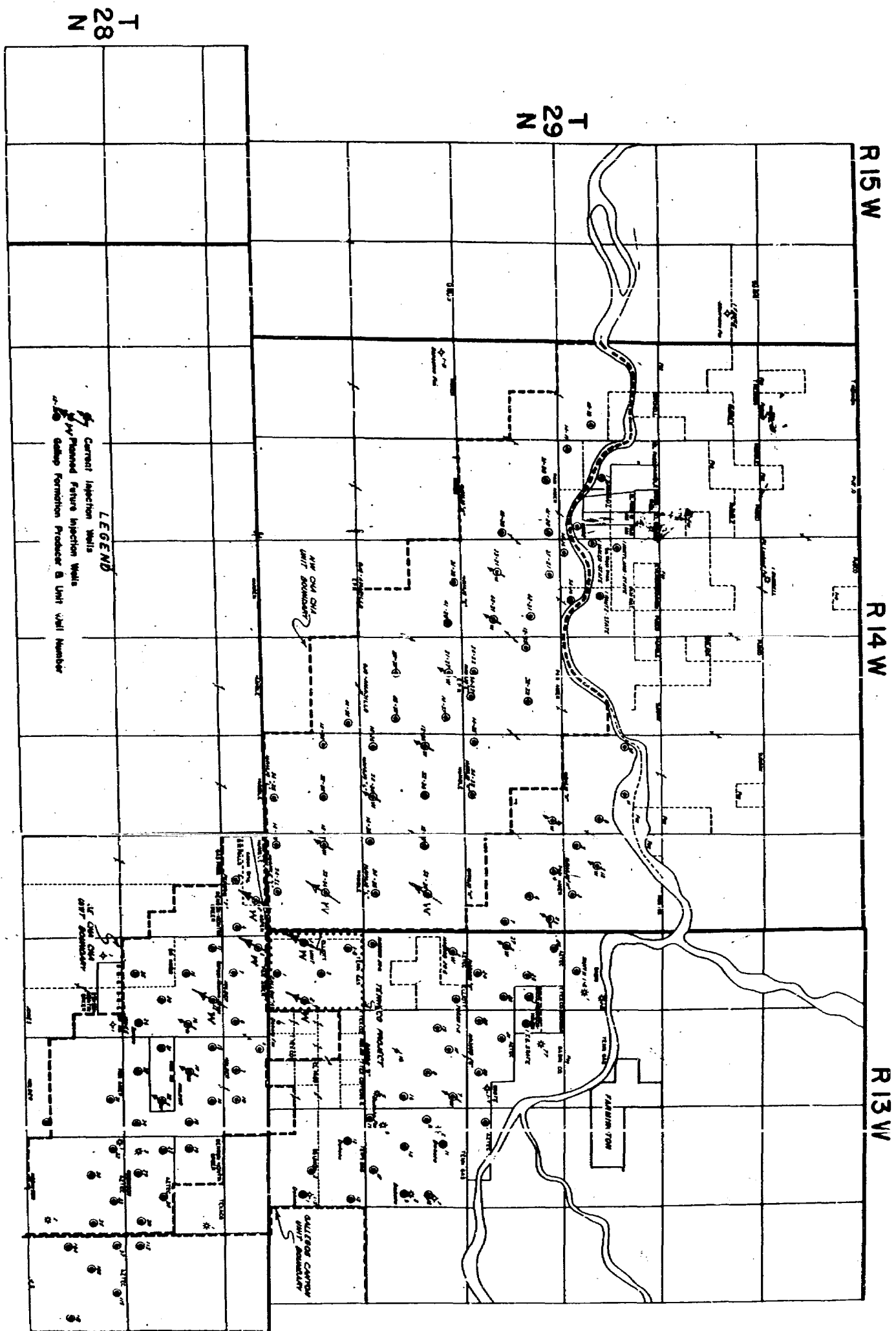
HUMBLE OIL & REFINING COMPANY

By


Its Attorney

JOHN D. KNODELL, JR.
P. O. Box 120
Denver 1, Colorado

Telephone: (303) 534-1251



HUMBLE OIL & REFINING COMPANY
DENVER AREA
CHA CHA GALLUP FIELD
San Juan County, New Mexico

EXHIBIT "A"
To Application of Humble Oil & Refining Company
For
Approval of Expansion of Pressure Maintenance Project
Northwest Cha Cha Unit
San Juan County, New Mexico

SCHEMATIC DIAGRAM OF WELL NO. 32-25

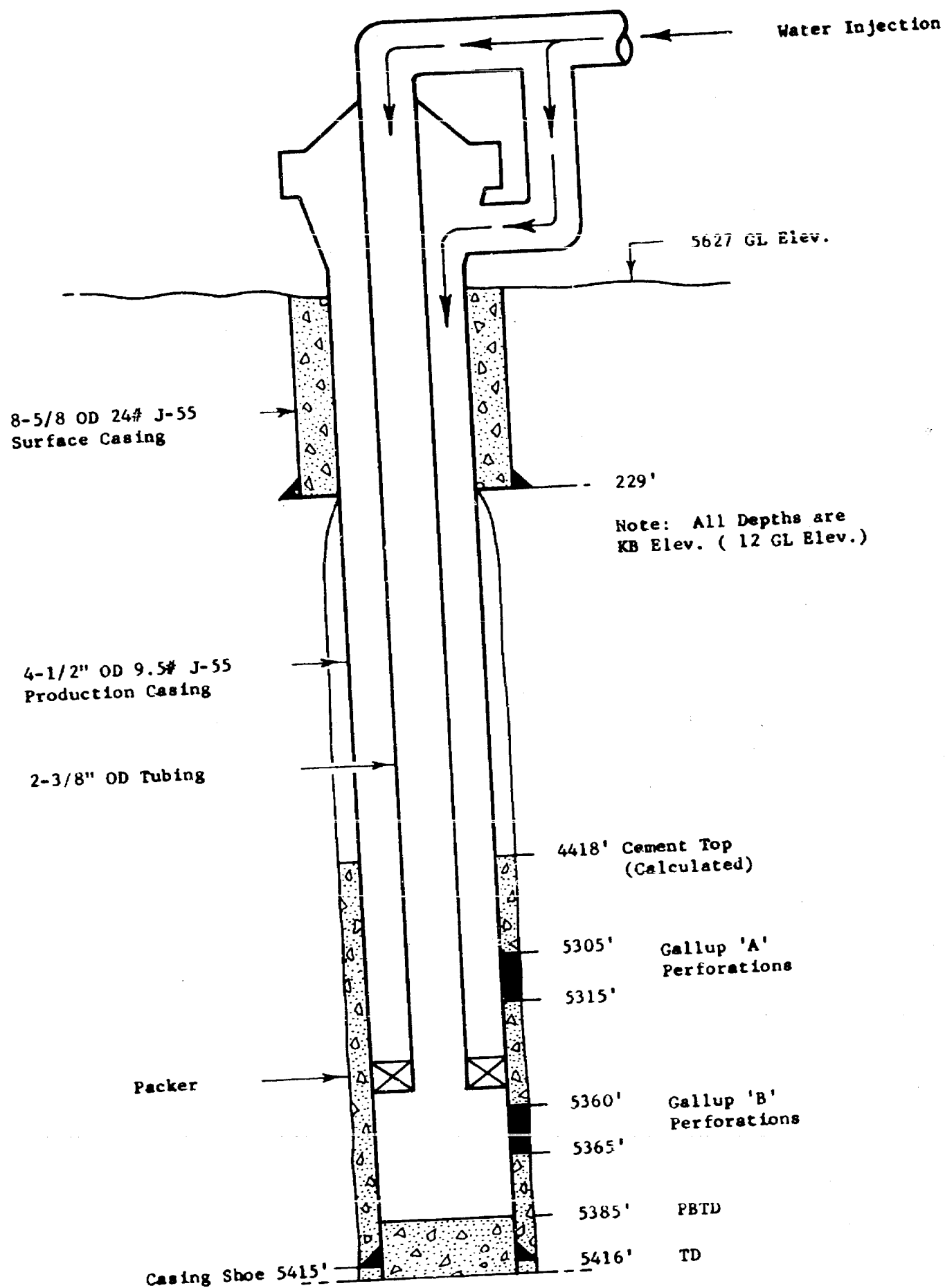


EXHIBIT "B"

To Application of Humble Oil & Refining Company
For
Approval of Expansion of Pressure Maintenance Project
Northwest Cha Cha Unit
San Juan County, New Mexico

SCHEMATIC DIAGRAM OF WELL NO. 32-36

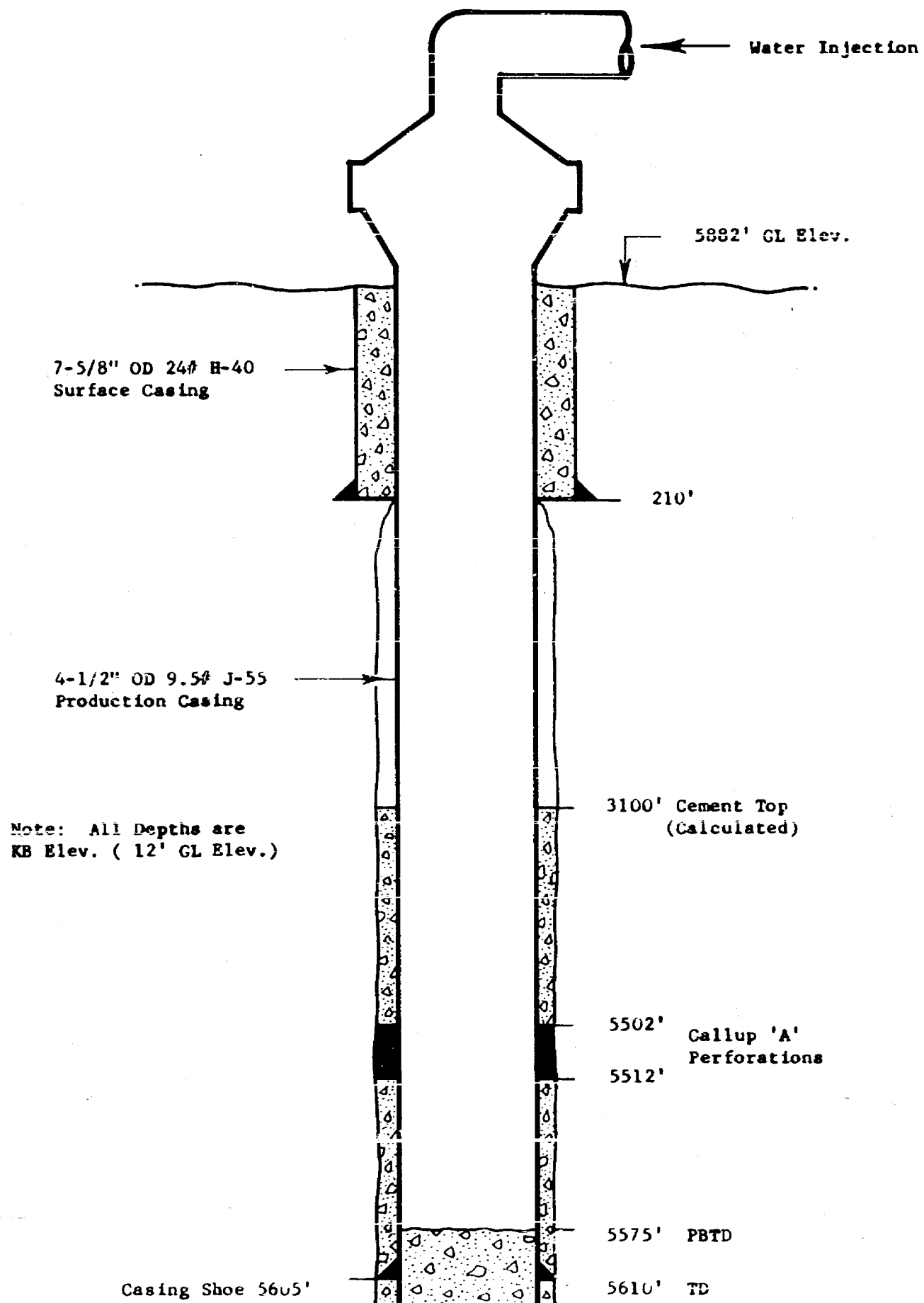


EXHIBIT "C"

To Application of Humble Oil & Refining Company
 For
 Approval of Expansion of Pressure Maintenance Project
 Northwest Cha Cha Unit
 San Juan County, New Mexico

BEFORE THE OIL CONSERVATION COMMISSION

OF THE

STATE OF NEW MEXICO

APPLICATION OF HUMBLE OIL & REFINING)
COMPANY FOR AN ORDER APPROVING THE)
EXPANSION OF ITS CHA CHA-GALLUP PRES-)
SURE MAINTENANCE PROJECT, SAN JUAN)
COUNTY, NEW MEXICO BY CONVERTING TWO)
ADDITIONAL PRODUCING WELLS IN THE)
NORTHWEST CHA CHA UNIT TO WATER IN-)
JECTION SERVICE)

CASE NO. 2447
NOTICE AND PROOF OF SERVICE

TO: Pan American Petroleum Corporation
Production Department
Farmington, New Mexico

Tenneco Oil Company
P. O. Box 1714
Durango, Colorado

Please take notice that on the 12th day of June, 1963, Humble Oil & Refining Company did file with the New Mexico Oil Conservation Commission its application for an order approving the expansion of its Cha Cha-Gallup Pressure Maintenance Project, San Juan County, New Mexico by converting two additional producing wells in the Northwest Cha Cha Unit to water injection service. A copy of said application is served upon each of you herewith. This notice is given and Proof of Service hereinbelow made in support of said application and pursuant to the provisions of Rule 11(3) of the Special Rules and Regulations for the Humble Oil & Refining Company Cha Cha-Gallup Pressure Maintenance Project which said rule is fully set forth in Order No. R-2154 in this case.

HUMBLE OIL & REFINING COMPANY

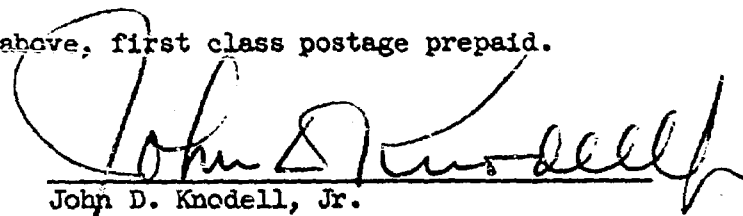
P. O. Box 120
Denver, Colorado

By 
Denver Area Attorney

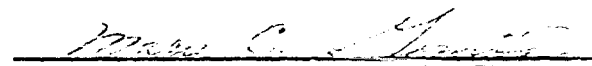
PROOF OF SERVICE

JOHN D. KNODELL, JR., Affiant herein, being first duly sworn on oath deposes and says that on June 12, 1963, he did give notice of the appli-

cation of Humble Oil & Refining Company described above to Pan American Petroleum Corporation and Tenneco Oil Company by depositing a copy of the above notice, together with copies of the application and exhibits attached thereto (which said application and exhibits are exact copies of the application and exhibits filed with the Commission in this matter) in the United States mail box at 1845 Sherman Street, Denver, Colorado, addressed to the operators named above at the addresses set forth above, first class postage prepaid.


John D. Knodell, Jr.

Subscribed and sworn to before me this 12th day of June,
1963.


Notary Public in and for the State of
Colorado
Residing at D e n v e r
My commission expires September 13, 1965

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2853
Order No. R-2522

APPLICATION OF HUMBLE OIL & REFINING
COMPANY FOR AN AMENDMENT TO ORDER
NO. R-2154, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 10, 1963, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 17th day of July, 1963, the Commission, a quorum being present, having considered the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the attorney for the Commission stated that the applicant had requested dismissal of the application and submission of the same for administrative approval, and moved to dismiss the case.

(3) That Case No. 2853 should be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 2853 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Jack M. Campbell
JACK M. CAMPBELL, Chairman

E. S. Walker
E. S. WALKER, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

esr/

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. E. JOHNNY WALKER
MEMBER

P. O. BOX 871
SANTA FE

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

July 17, 1963

Mr. Howard Bratton
Hervey, Dow & Hinkle
Attorneys at Law
Post Office Box 10
Roswell, New Mexico

Re: Case No. 2853
Order No. R-2522
Applicant:
Humble Oil & Refining Co.

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC X

Artesia OCC

Artesc OCC X

OTHER

No. 19-63

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 10, 1963

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, as alternate examiner:

- CASE 2848: Application of Skelly Oil Company for a unit agreement, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of its East Bisti Unit Area comprising 17,812 acres of Federal, State and Indian lands in Townships 24 and 25 North, Ranges 9, 10, and 11 West, San Juan County, New Mexico.
- CASE 2849: Application of Skelly Oil Company for a waterflood project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Bisti Lower-Gallup Oil Pool, San Juan County, New Mexico, by the injection of water into the Gallup formation through 34 wells in its East Bisti Unit Area.
- CASE 2850: Application of Shell Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the East Pearl-Queen Unit Area comprising 2440 acres of State and Fee lands in Township 19 South, Range 35 East, Lea County, New Mexico.
- CASE 2851: Application of Shell Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its East Pearl Queen Unit by the injection of water into the Queen formation through 29 wells in Sections 15, 21, 22, 26, 27, 34 and 35, Township 19 South, Range 35 East, Lea County, New Mexico.
- CASE 2852: Application of Amerada Petroleum Corporation for a triple completion and for commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the triple completion (combination) of its State NJ "A" Well No. 1 located in Unit A of Section 2, Township 25 South, Range 37 East, North Justis Field, Lea County, New Mexico, to produce oil from the McKee and Ellenburger zones through 1- $\frac{1}{2}$ inch tubing inside parallel strings of 3- $\frac{1}{2}$ inch casing and from the Montoya zone through 1- $\frac{1}{2}$ inch tubing inside 2- $\frac{7}{8}$ inch casing, all casing strings to be cemented in a common well bore. Applicant further seeks to add the Montoya zone to the commingling authority previously granted by Administrative Order No. PC-84.
- CASE 2853: Application of Humble Oil & Refining Company for an amendment to Order No. R-2154, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of the expansion of its Cha Cha-Gallup Pressure Maintenance Project, San Juan

County, New Mexico, including the conversion of additional wells to water injection.

- CASE 2854: Application of Pan American Petroleum Corporation for an unorthodox location and a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its SMU Well No. 15 to produce oil from the Fowler-Blinebry and Fowler-Ellenburger Pools through parallel strings of tubing, said well to be at an unorthodox location for the Fowler-Ellenburger Pool at a point 660 feet from the North and East lines of Section 22, Township 24 South, Range 37 East, Lea County, New Mexico.
- CASE 2855: Application of Pan American Petroleum Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its SMU Well No. 1 located in Unit J of Section 15, Township 24 South, Range 37 East, Lea County, New Mexico, to produce oil from the Fowler-Blinebry and Fowler-Ellenburger Pools through parallel strings of tubing.
- CASE 2856: Application of Socony Mobil Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its State Bridges No. 97 well located in Unit O of Section 26, Township 17 South, Range 34 East, Lea County, New Mexico, to produce oil from the Blinebry and Glorieta formations, Vacuum Field, through parallel strings of 1.61 inch I.D. tubing.
- CASE 2575: (Reopened)
In the matter of Case No. 2575 being reopened pursuant to the provisions of Order No. R-2267, which order established temporary 80-acre oil proration units and 320-acre gas proration units for the Lybrook-Gallup Pool, Rio Arriba County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 160-acre gas and 40-acre oil spacing.
- CASE 2857: Application of Standard Oil Company of Texas for special pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of special pool rules for the Boulder-Mancos Oil Pool, Rio Arriba County, New Mexico, including provisions for 80-acre spacing therein.
- CASE 2858: Application of Standard Oil Company of Texas for special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of special pool rules for the La Plata-Gallup Oil Pool, San Juan County, New Mexico, including provisions for 80-acre spacing therein.

igq/

(ENCO)

HUMBLE OIL & REFINING COMPANY

DENVER 1, COLORADO

CENTRAL REGION

DENVER AREA

JOHN D. KNOXELL, JR.
AREA ATTORNEY

June 12, 1963

P. O. BOX 120

303 534 1251

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.
Secretary-Director

Gentlemen:

RE: Application of Humble Oil & Refining Company
Case No. 2447 - Order No. R-2154

Enclosed please find Humble's application for an order approving the expansion of its Cha Cha-Gallup Pressure Maintenance Project in San Juan County, New Mexico. The original project was approved by this Commission in Order No. R-2154 in the above case. Will you please cause this application to be properly filed with the Commission. Rule 11(3) of the Special Rules and Regulations Relating to the Cha Cha-Gallup Pressure Maintenance Project provides that the permission requested in this application may be given by the Secretary-Director. It is our hope that this application can be considered and granted by the Secretary-Director without public hearing.

Respectfully,

HUMBLE OIL & REFINING COMPANY

By

Denver Area Attorney

JDK:ch

Enclosures (3)

cc: Mr. Howard C. Bratton
Hervey, Dow & Hinkle
P. O. Box 10
Roswell, New Mexico
(one copy of application with Ex. D attached)

DOCKET MAILED

Date

6/18/63
[Signature]
[Cartoon character]

A M E R I C A ' S L E A D I N G E N E R G Y C O M P A N Y

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
July 10, 1963

EXAMINER HEARING

IN THE MATTER OF:

Application of Humble Oil & Refining Company
for an amendment to Order No. R-2154, San Juan
County, New Mexico. Applicant, in the above-
styled cause, seeks approval of the expansion
of its Cha Cha-Gallup Pressure Maintenance
Project, San Juan County, New Mexico, includ-
ing the conversion of additional wells to
water injection.

CASE 2853

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: 2853.

MR. DURRETT: Application of Humble Oil & Refining
Company for an amendment to Order No. R-2154, San Juan County,
New Mexico.

If the Examiner please, I would also like to move that
this case be dismissed. After the case was docketed and advertised,
it was determined that this matter could be handled administratively.
On that basis, we would like to move that the case be dismissed;
that is with the consent of the Applicant, they have consented.

MR. UTZ: Case 2853 will be dismissed.

* * *

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691



STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill, and ability.

WITNESS my Hand and Seal this 16th day of July, 1963.

Ada Dearnley
NOTARY PUBLIC

My Commission Expires:
June 19, 1967.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2953, heard by me on July 10, 1963.
[Signature] Examiner
New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691



DRAFT

JMD/esr

July 15, 1963

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2853

Order No. R- 2522

APPLICATION OF HUMBLE OIL
& REFINING COMPANY FOR AN
AMENDMENT TO ORDER NO. R-
2154, SAN JUAN COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
July 10, 1963 at Santa Fe, New Mexico, before Elvis A. Utz,
Examiner duly appointed by the Oil Conservation Commission of New
Mexico, hereinafter referred to as the "Commission," in accordance
with Rule 1214 of the Commission Rules and Regulations.

NOW, on this day of July, 1963 the Commission,
a quorum being present, having considered ~~the application, the~~
~~evidence adduced, and the recommendations of the Examiner,~~
Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the attorney for the Commission stated ~~that it had~~
~~been determined that the subject~~
~~was not suitable for administra-~~
~~tive approval and that the applicant had requested~~
~~dismissal of~~
the application and submission of the same for administrative
approval, and moved to dismiss the case.

(3) That Case No. 2853 should be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 2853 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.